- Utah Code §41-3-210
- Administrative Rule R877-23V-7

## **Summary of Advertising Laws**

Following is a summary of Utah law and administrative rules regulating automobile advertising in Utah. To review the actual statute and rule, use the links above.

- Administrative penalties for violations are: \$250 for the first offense; \$1000 for the second offense; \$5000 for the third and subsequent offenses within any twelve month period.
- When the price of an automobile is quoted, it has to be clearly identified and the price must include everything the customer has to pay, except for sales tax, title and registration fees.
- If the words "List", "Sticker", or similar words are used, they must only refer to the Manufacturers Suggested Retail Price.
- Dealers cannot claim that they give greater trade in allowances than other dealers. No specific trade in amount or range of amounts can be used in advertising.
- Free. "Free" may be used in advertising only when the advertiser is offering an unconditional gift. If receipt of the merchandise or service is conditional on a purchase the following conditions must be satisfied:
- The normal price of the merchandise or service to be purchased may not have been increased nor its quantity reduced;
- The advertiser must disclose this condition clearly and conspicuously together with the offer and not by placing an asterisk or symbol next to the word "free" and then referring to the condition in a footnote; and
- The offer must be temporary. For purposes of this subsection, "temporary" means that the offer is made for no more than 30 days during any 12-month period.
- Mileage can be advertised if the dealer has written evidence that the vehicle has not been operated in excess of the advertised mileage and the dealer is willing to open his files to any prospective purchaser for verification.
- Disclosure of Material Facts. Disclosures of material facts that are contained in advertisements and that involve types of vehicles and transactions shall be made in a clear and conspicuous manner.
- Factors to be taken into consideration include advertisement layout, headlines, illustrations, type size, contrast, crawl speed and editing.
  - Fine print, and mouse print are not acceptable methods of disclosing material facts.
- The disclosure must be made in a typeface and point size comparable to the typeface and point size of the text used throughout the body of the advertisement.

- An asterisk may be used to give additional information about a word or term, however, asterisks or other reference symbols may not be used as a means of contradicting or substantially changing the meaning of any advertising statements.
- Lease. When an advertisement relates to a lease, the advertisement must make it readily apparent that the transaction advertised is a lease.
- The word "lease" must appear in a prominent position in the advertisement in a typeface and point size comparable to the largest text used to directly advertise the vehicle.
  - Statements that do not use the term "lease" do not constitute adequate disclosure of a lease.
- Lease advertisements may not contain the phrase "no down payment" or words of similar import if an outlay of money is required to lease the vehicle.
- Lease terms that are not available to the general public may not be included in advertisements directed at the general public.
- Limitations and qualifications applicable to the lease terms advertised shall be clearly and conspicuously disclosed.
- Television Disclosures. A disclosure appearing in television advertisements must clearly and conspicuously feature all necessary information in a manner that can be read and understood if type is used, or that can be heard and understood if audio is used. Fine print and mouse print do not constitute clear and conspicuous disclosure.
- Invoice or Cost. The terms "invoice" or "factory invoice" may be used as long as the dealer is willing to show the factory invoice to the prospective buyer. The term "cost" may not be used.
- Special Status of Dealership. An automotive advertisement may not falsely imply that the dealer has a special sponsorship, approval status, affiliation, or connection with the manufacturer that is greater or more direct than any other like dealer.
- Price Equaling. An advertisement that expresses a policy of matching or bettering competitor's prices shall fully disclose any conditions that apply and specify the evidence a consumer must present to take advantage of the offer. The evidence requirement may not place an unreasonable burden on the consumer by, for example requiring the consumer to produce a signed contract from another dealer or to find a vehicle with the identical features.
- Publish, display, or circulate any advertising without identifying the seller as the licensee by including in the advertisement the full name under which the licensee is licensed or the licensee's number assigned by the division.